

REDEVELOPMENT AGENCY  
OF THE  
CITY OF BURBANK

RESOLUTION NO. R- 2215

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF  
THE CITY OF BURBANK APPROVING AN OWNER  
PARTICIPATION AGREEMENT BETWEEN THE  
REDEVELOPMENT AGENCY OF THE CITY OF BURBANK, RA 82.  
THE CITY OF BURBANK, BURBANK HOUSING  
CORPORATION AND HABITAT FOR HUMANITY OF  
GREATER LOS ANGELES FOR THE CONSTRUCTION OF  
AN AFFORDABLE HOUSING HOMEOWNERSHIP  
DEVELOPMENT AT 1722, 1726 - 1728 AND 1730 ELLIOTT  
DRIVE AND 1902 KEELER STREET.

THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK FINDS:

- A. The Burbank Housing Corporation, a California non-profit public benefit corporation (the "Owner"), is the fee simple owner of certain real property located within the City of Burbank commonly known as 1722, 1726 - 1728 and 1730 Elliott Drive and 1902 Keeler Street, Burbank, California (the "Property")
- B. Habitat for Humanity of Greater Los Angeles ("Habitat") is a California non-profit public benefit corporation, organized and existing under the laws of the State of California. Habitat's mission is to provide simple, decent housing for purchase at a cost that is affordable to low-income households.
- C. Owner and Habitat desire to develop the Property with eight (8) townhomes (the "Affordable Units") that will be sold at a price that is affordable to very-low income households (the "Project"). The Project was previously approved on March 13, 2007 as Project No. 06-0201918, Development Review.
- D. Pursuant to Section 33334.2 of the Community Redevelopment Law (California Health and Safety Code Section 33000, *et seq.*), the Redevelopment Agency is required to expend a certain percentage of property taxes allocated to it for the purpose of increasing, improving and preserving the City of Burbank's supply of very low, low and moderate income housing available at an affordable housing cost. Pursuant thereto, the Agency has established a Low and Moderate Income Housing Fund (the "Housing Fund")

E. The Redevelopment Agency of the City of Burbank ("Agency"), the City of Burbank ("City"), Owner, and Habitat have prepared a proposed Owner Participation Agreement ("Agreement") pursuant to which the Agency agrees to (1) refinance for a term of ninety-nine (99) years, several loans made to Owner from the Housing Fund, to fund acquisition of the Property, which total Two Million Five Hundred Seventy-One Thousand Seven Hundred Fifty Dollars (\$2,571,750.00) (the "Acquisition Loan"); (2) provide an asset management fee to Owner in the amount of One Hundred Thousand Dollars (\$100,000.00) to fund Owner's administrative costs associated with the management and maintenance of the Project (the "Asset Management Fee"); and (3) provide a construction loan to Habitat in the amount of One Million Seventy-Five Thousand Dollars (\$1,075,000.00) to fund construction of the Project (the "Construction Loan"); and (4) provide a contingency loan to Habitat in the amount of One Hundred Thousand Dollars (\$100,000.00) to cover increased construction costs or Habitat's funding shortfall (the "Supplemental Loan"). Under the Agreement, the Agency also agrees to convert Habitat's construction and contingency loans into down payment assistance loans for both initial and subsequent buyers of the Townhomes.

F. Under the Agreement, the City agrees to apply to the California Department of Housing and Community Development ("HCD") to obtain funding through the CalHome and BEGIN programs, both of which are described below. The parties anticipate that CalHome funds in the amount of Four Hundred Eighty Thousand Dollars (\$480,000.00), and BEGIN funds in the amount of Two Hundred Forty Thousand Dollars (\$240,000.00), will be used to offer mortgage assistance to both initial and subsequent buyers of the Townhomes. The CalHome and BEGIN funds, if received, will be used to replace a portion of the Agency's down payment assistance.

G. Pursuant to the Agreement, the Agency desires to make the Acquisition Loan and pay the Asset Management Fee to Owner, and to make the Construction Loan and Supplemental Loan to Habitat in consideration for Owner and Habitat's agreement to develop the Project on the Property and maintain the covenants on the Affordable Units as required under the Community Redevelopment Law (California Health and Safety Code Section 33000, *et seq.*).

H. Pursuant to Sections 33334.2 and 33334.3 of the Community Redevelopment Law, the Agency is authorized to make the Agency Loan for development of affordable housing for very low, low and moderate income persons.

I. On June 16, 2009, the Agency considered the proposed Agreement at a public meeting, at which time the Agency reviewed and evaluated all of the information, testimony, and evidence presented.

J. All actions required by all applicable law with respect to the proposed Agreement have been taken in an appropriate and timely manner.

K. The Project will provide affordable housing for very low, low and/or moderate income households.



L. The Agency has adopted Implementation Plans for its redevelopment project areas pursuant to Health and Safety Code Section 33490, which provides for the Agency to increase, improve and preserve the supply of housing affordable to very low, low and moderate income households.

M. The Agreement furthers the goals of the Agency set forth in the Implementation Plans by providing for the development and preservation of housing affordable to persons and/or families of very low, low and/or moderate income.

N. The Property is located outside of any Agency redevelopment project area, but pursuant to Health and Safety Code Section 33334.2(g), the City Council and the Agency have found and determined in Resolutions No. 25,586 and R-1934, respectively, that expenditures from the Agency's Housing Fund for the purposes of increasing, improving and preserving the community's supply of very low, low and moderate income housing located outside of the Agency's redevelopment project areas, but within the boundaries of the City, will be of benefit to the Agency's redevelopment project areas

O. The Agency finds, based upon substantial evidence in the record, the use of funds from the Housing Fund which will exceed fifty (50%) percent of the cost of producing the Affordable Units is necessary because commercial or private means of financing the units at the same level of affordability and quantity are not reasonably available to the Agency, Owner and Habitat.

P. The Owner and Habitat's construction and operation of the Project pursuant to the Agreement is categorically exempt from review under the California Environmental Quality Act ("CEQA"), pursuant to Section 15332 of the CEQA Guidelines as an in-fill development project.

Q. The Agency has duly considered all terms and conditions of the proposed Agreement and believes that the redevelopment of the Site pursuant thereto is in the best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

#### THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK RESOLVES:

1. The Agency hereby finds and determines that the redevelopment of the Property pursuant to the Agreement will provide affordable housing for very low, low and/or moderate income persons and families

2. The Agency hereby finds and determines that the Agreement is consistent with the provisions and goals of the Agency's Implementation Plans.

3. The Agency hereby approves the Agreement, and approves all

documents, attachments and exhibits thereto. A copy of the Agreement when executed shall be placed on file in the office of the Agency Secretary.

4. The Executive Director of the Agency or his or her designee is authorized and directed to execute the Agreement and all attachments and exhibits thereto, on behalf of the Agency, so long as they are in substantial conformance (as determined by Agency Counsel) with the documents presented before the Agency at the public hearing. The Executive Director or his designee is authorized to implement the Agreement and take all future actions and execute all escrow documents and other documents that are necessary or appropriate to carry out the Agreement.

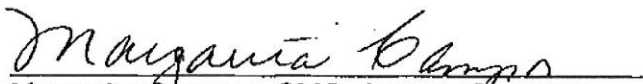
5. The Agency Secretary shall certify to the adoption of this Resolution.

PASSED AND ADOPTED this 16th day of June, 2009



Gary Bric  
Chairperson of the Redevelopment Agency  
of the City of Burbank

Attest:

  
Margarita Campos, CMC, Agency Secretary

Approved as to Form and Legal Content  
Dennis A. Barlow, City Attorney/Agency Counsel

By:   
Joseph H. McDougall  
Senior Assistant City Attorney

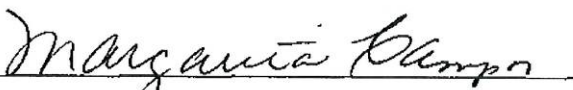
STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss.  
CITY OF BURBANK                )

I, Margarita Campos, CMC, Secretary of the Redevelopment Agency of the City of Burbank, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Redevelopment Agency of the City of Burbank at its regular meeting held on the 16th day of June, 2009, by the following vote:

AYES:           **Members Colonski, Gordon, Reinke, Talamantes and Bric.**

NOES:           **Members None.**

ABSENT:        **Members None.**

  
Margarita Campos, CMC, Agency Secretary